



STATE BOARD OF EQUALIZATION

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Controller, Sacramento

DOUGLAS D. BELL
Executive Secretary

No. 80/136

August 29, 1980

TO COUNTY ASSESSORS:

HISTORICAL PROPERTIES ASSESSED UNDER SECTIONS
439, 439.1, 439.2, 439.3, AND 439.4 OF THE
REVENUE AND TAXATION CODE
YIELD RATE COMPONENT - 1981 LIEN DATE

Historical property assessed under provisions of Revenue and Taxation Code, Sections 439, 439.1, 439.2, 439.3, and 439.4 is subject to valuation by the capitalization of income method in a specified manner.

In accordance with Section 439.2, Revenue and Taxation Code, the Board is required to announce the current interest rate component which is equal to the effective rate on conventional mortgages as determined by the Federal Home Loan Bank Board. This yield rate is to be used as a component of the capitalization rate in the valuation of properties subject to Historical Property Contracts for the 1981 lien date.

Based on our analysis of information from the Federal Home Loan Bank Board, the yield rate component to be used for the 1981 assessment year is 12.50 percent.

Sincerely,

Gordon P. Adelman
Assistant Executive Secretary
Property Taxes Department

GPA:cr